ASSOCIATED PRESS 13 September 1985

STAT

US-NICARAGUA
BY ROLAND DE LIGNY
THE HAGUE, NETHERLANDS

THE HAGUE, Netherlands (AP) $_$ A former intelligence analyst for the CIA told the World Court today that in 1981 the agency prepared a plan for President Reagan to destabilize Nicaragua's leftist regime.

Speaking during the second day of a case brought by Nicaragua against the United States in the World Court, David Macmichael was asked by Abram Chayes, a lawyer for Nicaragua: `Were you advised of a plan being prepared for the United States president calling for covert action against Nicaragua?''

Yes, I was, ' replied Macmichael, who worked as a contract employee for the Central Intelligence Agency from March 1981 until April 1983.

Earlier, a Nicaraguan official testified that at least 11 American citizens were working with anti-Sandinista Contra forces, and claimed captured Contra prisoners said they dealt with Americans identifying themselves as CIA agents.

The United States is boycotting the proceedings, claiming that the panel, officially known as the International Court of Justice, is an improper forum for settlement of the U.S.-Nicaragua dispute.

Macmichael told the court that in the fall of 1981, a plan was discussed in the Latin American Affairs Office of the CIA to send a covert force of 1,500 armed men into Nicaragua.

Macmichael told the 15-judge tribunal, the judicial arm of the United Nations, that the plan was `put forward as a program to destabilize the Nicaraguan government or reduce the menace Nicaragua posed to the region.''

Asked by Chayes whether President Reagan approved the plan, Macmichael responded: `He did.''

The 57-year-old former CIA analyst said the agency expected that

the Nicaraguan government would respond to the proposed actions with `hot pursuit across its international borders, a clampdown on civil liberties, and ultimately, the harassment of U.S. Embassy personnel in Managua.''

Claiming he held a top secret security clearance at the time, Macmichael said that the CIA assumed the Sandinista reaction `would serve to demonstrate that the Nicaraguan government was inherently aggressive and a menace to its neighbors, and would possibly allow for sanctions against Nicaragua under the (Organization of American States) charter.'

Nicaragua, he said, `had successfully protrayed itself as open and democratic in world public opinion. It was expected that it would lose support when its true nature was to be displayed.,''

Macmichael added that the expected harassment of U.S. diplomatic personnel in Nicaragua would `demonstrate the essential hostility of Nicaragua towards the United States.

Continued

 \mathcal{A}

Macmichael is a former U.S. Marine, is now senior assistant to the Council of Hemispheric Affairs in Washington, D.C., and lives in Reston, Va.

He did not say whether the plan was put into effect.

Luis Carrion, Nicaragua's deputy interior minister, testified for a second day about alleged American direction of Contra forces.

Carrion was asked by court President Nagendra Singh of India how

many CIA officials were working with the Contra rebels.

We have identified at least 11 U.S. citizens directly working

with

the Contras,'' answered Carrion. `A man known as Col. Raymonds was until a few weeks ago the chief of the team of U.S. people working with the Contras.''

Carrion said the Sandinista forces obtained much of their information from Contra prisoners, whom he claimed had said they were interviewed by Americans identifying themselves as CIA agents.

Nicaragua has testified that the Contra forces were trained in part by Argentine army officers hired by the CIA. Carrion was asked how he

knew the Argentinians were hired by the United States.

`We have no receipts signed by them,'' said Carrion of the Argentinians. `But we have some fairly accurate pieces of information. We have a video cassette made public by an Argentinian, Hector Frances, on which he states that he received the money for all Argentinians (training officers) from the CIA.

`The money was usually handed to him in Panama,'' Carrion told the court. Carrion did not immediately indicate whether that videotape

would be introduced in evidence.

On Thursday, Carrion told the World Court that in June, two weeks after congressional approval of \$27 million in ``non-lethal'' aid to the Contras, the Contras began their deepest attacks into the Nicaraguan interior.

Carrion claimed that such action by the rebels would have been impossible without the `strong and clear support of the United States.''

Congress cut off military support for the rebel forces on Oct. 1, 1984, and last week the Reagan administration denied allegations that the support was continuing. The congressional ban expires Sept. 30.

The World Court lacks the power of enforcement, and must depend on the willingness of nations who are party to its cases to obey its rulings.